

06-19-06

AFZTW

ATTORNEY DOCKET NO.
014208.1395 (70-00-006)

PATENT APPLICATION
USSN 10/029,657

1



**In The United States Patent and Trademark Office
On Appeal From The Examiner To The Board
of Patent Appeals and Interferences**

In re Application of: Donna M. Stemmer, et al.
Serial No.: 10/029,657
Date Filed: December 20, 2001
Confirmation No. 5061
Group Art Unit No. 3623
Examiner: A. K. Robinson Boyce
Title: *Balance Sheet and Method for Measuring Intellectual Capital*

MAIL STOP: APPEAL BRIEF - PATENTS

Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

Dear Sir:

**Supplemental Appeal Brief in Response to
Notification of Non-Compliant Appeal Brief**

Appellants have appealed to the Board of Patent Appeals and Interferences (the "Board") from the decision of the Examiner mailed October 1, 2004, finally rejecting all pending Claims 1-59. Appellants filed a Notice of Appeal on January 3, 2005, and submitted an Appeal Brief, with the statutory fee of \$500.00, on April 4, 2005. While Appellants believe the Appeal Brief filed April 4, 2005 fully complies with the requirements of 35 C.F.R. § 41.37, Appellants submit this Supplemental Appeal Brief in response to the Notification of Non-Compliant Appeal Brief mailed May 18, 2006. Additionally, Appellants attach Appendices E and F (i.e., the Evidence Appendix and the Related Proceedings Appendix, respectively), which were submitted on July 26, 2005 in response to a request from the Patent Office mailed July 11, 2005.

Real Party in Interest

This Application is currently owned by Electronic Data Systems Corporation, as indicated by an Assignment recorded on March 11, 2002, from the inventors to Electronic Data Systems Corporation, in the Assignment Records of the United States Patent and Trademark Office at Reel 012738, Frames 0480-0485.

Related Appeals and Interferences

To the knowledge of Appellants' counsel, no appeals, interferences, or judicial proceedings are related to or will directly affect, be directly affected by, or have a bearing on the Board's decision regarding this Appeal.

Status of Claims

Claims 1-59 are pending in this Application, stand rejected pursuant to a Final Office Action mailed October 1, 2004 (the "Final Office Action"), and are all presented for appeal. All pending claims are shown in Appendix A, along with an indication of the status of those claims.

Status of Amendments

All amendments submitted by Appellants have been entered by the Examiner prior to the mailing of the Final Office Action. Appellants amendments made prior to the mailing of the Final Office Action were entered by the Examiner. Additionally, Appellants made a minor amendment to Claim 11 in the Response to the Final Office Action. The Examiner agreed in an Advisory Action mailed December 17, 2004, to enter this amendment for purposes of Appeal. (*See* Advisory Action, Item 7)

Summary of Claimed Subject Matter

The present invention relates generally to measuring market value and, more particularly, to a balance sheet and method for measuring intellectual capital. (Page 1, Lines 7-9) In certain embodiments, the present invention uses intellectual capital benchmarking to enable a business to quantitatively measure its intellectual capital. (Page 3, Lines 4-7)

FIGURE 1 illustrates Intellectual Capital 25 in accordance with the prior art. Intellectual Capital 25 is knowledge having value to a business or business unit, including the tacit knowledge embedded in people, processes, and clients. The business's Market Value 15 is substantially the sum of Financial Capital 20 and Intellectual Capital 25. In one embodiment, Intellectual Capital 25 may be subdivided into Human Capital 30, Structural Capital 35, and External Capital 40. As an example, the value of the business's Intellectual Capital 25 might be a result of the data from Human Capital 30, Structural Capital 35, and External Capital 40. (Page 6, Lines 2-17)

FIGURE 2 illustrates the sub-categories of the intellectual capitals of FIGURE 1 in accordance with example embodiments of the present invention. Human Capital 30 includes the capabilities of individuals required to provide solutions to customers. In one embodiment, Human Capital 30 refers to the knowledge, talents, expertise, and problem-solving ability of the business's or business unit's staff. It also might include measurements for experience, training, competence, and the leveragability and stability of the workforce. Furthermore, Human Capital 30 may refer to the size of the staffs' social networks. For example, the social network may include professional relationships and the strength of those relationships. In another example, the business might choose to quantify leadership qualities of its management team. This may include assigning a value to leadership skills. Some types of knowledge and expertise are tacit. Human Capital 30 measurements might be an indicator of the business's ability to generate innovative solutions to complex problems. There may be additional reasons to quantify the business's Human Capital 30. (Page 6, Line 18-Page 7, Line 7)

Structural Capital 35 includes the experience and expertise of the organization embedded in processes, policies and systems, such as codification/transfer of knowledge and

enabling infrastructure. Structural Capital 35 may include intellectual structural capital and tangible structural capital. Intellectual structural capital is generally considered to be distinct from tangible structural capital, which may include such things as property, plant, and equipment. Structural Capital 35 might represent the quality and revenue-producing capability of the business's processes, procedures, and practices. Structural Capital 35 might add value to the abilities and productivity of its personnel. Structural capital might be explicit and contained within intellectual assets. (Page 7, Lines 8-25)

External Capital 40 includes the value of the business's relationships with other entities such as, for example, other companies with whom it does business. This might include understanding customer and supplier visions, values and requirements. In one embodiment, External Capital 40 is quantified by the value added to the business from external sources. For example, the business's brand image, or its reputation among current and potential customers and suppliers, might allow the business to command higher premiums for its services. The business's customers and suppliers and the strength and length of the relationships might reflect the long-term viability of the business. (Page 7, Line 26-Page 8, Line 5)

Structural Capital 35 includes Innovation Capital 45 and Process Capital 50. Innovation Capital 45 may include the value of intellectual property, such as patents, licenses and royalty streams, and the value of seminars hosted by the business or business unit. In one embodiment, Process Capital 50 is a quantification of knowledge being passed around the business. Process Capital 50 may include the business's investment in internal structures, including IT and other knowledge-sharing facilities, and volume of email transmitted internally. (Page 8, Lines 6-16)

External Capital 40 includes Supplier Capital 55, Customer Capital 60, Partner Capital 65, and Image in Market 70. Supplier Capital 55 may include the satisfaction of the supplier, customer satisfaction with the supplier, and the business's satisfaction with the supplier. Each of these may be measured and scaled to represent one median number. For example, a poll may be sent to the business customers in regards to a supplier resulting in a

satisfaction index that may be compared to a satisfaction index performed by the business's business units. (Page 8, Lines 17-27)

Customer Capital 60 may include competence enhancing customers, which may be a number of customers that receive a certain score on a series of questions posed to the business's staff. For example, one question may ask the staff member if the customer is willing to give referrals. Another question may attempt to determine if the customer provides high profit projects. Partner Capital 65 probably includes a partner satisfaction index or a satisfaction with partner index. Alternatively, Partner Capital 65 may include any other measure that might assist the business or business unit in assigning a value to Partner Capital 65. Image in Market 70 preferably includes market analysis ratings or the value of the business's trademarks. Alternatively, Images in Market may include any other measure capable of quantifying the business's Image in Market 70. (Page 8, Line 28-Page 9, Line 10)

Each intellectual capital (Human Capital 30, Structural Capital 35, and External Capital 40), has associated metrics. A given metric may be any quantifiable indicator that may be measured through data gathering or some other method. Furthermore, the metric may be monetary or non-monetary. A monetary metric may include an indicator measured by a dollar value or some other financial measure. A non-monetary metric may include an indicator that is measured by time, volume, poll result, or any other non-financial measure. The metric may also be related to other metrics in order to determine a value for the respective intellectual capital. For example, a subset of metrics may be scaled to one another such that the subset can be represented in a radar diagram or other mathematical computation.

An list of example metrics for each intellectual capital and category is described in the Specification at Page 9, Line 30 through Page 21, Line 6. below. To avoid burdening the record, Appellants do not reproduce this example list in this Summary.

In certain embodiments, Human Capital 30 may be quantified using the following formula:

Human Capital 30 = (((Average Salary for a Staff Member x Years Experience factor) x Staff Satisfaction factor) x Staff Turnover Rate) x Number of Professionals in Organization) + Knowledge Bank value + Training Investment

(Page 21, Lines 8-15)

The Human Capital 30 calculation may include none, one, some or all of the metrics used in the above exemplary calculation to determine the value of Human Capital. Other metrics used by the business might include “Relative Pay Position,” which is the ratio of staff pay to outside pay, and “Experience in Competency Type,” which is the total number of years in a business unit for all staff of the business. (Page 21, Lines 16-25)

In certain embodiments, a value might be assigned Structural Capital 35 by summing Innovation Capital 45 and Process Capital 50. For example, to obtain a dollar value for Innovation Capital 45, the business might obtain the dollar value of its patents, or the “Value of Patents” metric. Then, the business may sum the three Process Capital 50 categories of “Internal Investment,” “Collaboration,” and “Information Sharing” and combinations result with the value for Innovation Capital 45. (Page 21, Line 26-Page 22, Line 2)

In certain embodiments, a value might be assigned to the External Capital 40 by determining the Customer Capital 60 dollar value, converting the other three capital figures (represented under External Capital 40 in FIGURE 2) to percentages, and multiplying the dollar value by these percentages. This provides an External Capital 40 value that may have started as the Average Customer Spend per Annum. The figure may have then been reduced by applying (in effect) percentages where customers are not totally satisfied, not willing to provide references, image of the business in the community is not perfect, or any other customer satisfaction criteria. In another embodiment, the Customer Capital 60 dollar value may be the value of ongoing customer relationships multiplied by the ratio of devoted customers multiplied by the percentage of contract renewals. (Page 22, Lines 3-19)

FIGURE 3 illustrates a method for measuring Intellectual Capital 25 in accordance with one embodiment of the present invention. In this embodiment, radar diagram 300

includes a plurality of scaled axes 320 to 350 originating from center point 305. For exemplary purposes only, the scales are represented for value 50 at line 310 and value 100 at line 315. (Page 22, Lines 20-26)

Each scaled axis comprises a metric that has been measured and quantified. Each quantified metric might then be scaled in relation to the other measured metrics. For example, scaled axis 320 may represent a median age of staff, scaled axis 325 may represent a number of mentored staff, scaled axis 330 may represent staff retention rate, scaled axis 335 may represent education level, scaled axis 340 may represent absenteeism rate, scaled axis 345 may represent an overall attitude of staff, and scaled axis 350 may represent a dollar amount spent on training the staff. The exemplary metrics might be measured and quantified in differing manners. For example, scaled axis 340 may be a ratio of median days at work and total work days, while scaled axis 350 may be a dollar amount. Therefore, each axis is scaled so that it may be represented as a value similar to the other quantified metrics. Once the axes are scaled, the respective value for each axis is plotted. For example, point 355 may represent the scaled median age of the staff, along the appropriate axis. (Page 22, Line 27-Page 23, Line 13)

FIGURE 4 further illustrates the radar diagram 300 of FIGURE 3 measuring Intellectual Capital 25 in accordance with one embodiment of the present invention. Once all of the points 355 to 385 are plotted on the respective scaled axes, the Intellectual Capital 25 may be quantified. In this embodiment, a line 390 connects each point 355 to 385, resulting in an inner region 395. An area of region 395 is then computed. The area of region 395 provides the business or business unit a value of the quantified Intellectual Capital 25 and the ability to monitor changes in the Intellectual Capital 25. For example, if the education level of a business's staff rises, the point 370 moves outwardly along scaled axis 335 causing the area of region 395 to increase. This may represent a rise in the worth of the business's Human Capital 30. (Page 23, Lines 14-29)

FIGURE 5 illustrates an example method for measuring Intellectual Capital in accordance with one embodiment of the present invention. At step 600, the key functionality should be examined for the business or business unit. For example, a business that relies on

delivering facilities to their customers (e.g. oil or gas industries) might feel that the areas of Structural Capital will be of most importance, while businesses that provide consulting services to their customers may determine that Human Capital is key. It also may be appropriate to select more than one capital and then identify a set of key factors from each of the capitals as important to the business or business unit. In another example, the business or business unit may produce applications, develop IS/IT infrastructure, or solve customer problems. The business may then need to measure Structural Capital (such as processes and procedures) and Human Capital (such as the experience and learning of developers). (Page 23, Line 30-Page 24, Line 15)

In decisional step 605, it is determined whether all the categories that are desired are included in the one or more Intellectual Capitals identified in step 600. Furthermore, not every category of the Intellectual Capital need be measured. For example, if the identified Intellectual Capital is External Capital, then the business or business unit might measure the number of contract terminations, which is included in the Customer Capital category. However, the business may not have any suppliers. Therefore, in this example, the Supplier Capital category would not be needed. (Page 24, Lines 16-26)

Having defined the Intellectual Capital at step 600 and the categories to be measured at step 605, the metrics that govern the selected intellectual capitals are determined at step 610. In one embodiment, the business first identifies metrics that might influence the overall performance of the business and then selects metrics that influence the performance of the business. For example, staff turnover may be a key metric that influences the performance of a human resources department. There is no minimum or maximum number of metrics appropriate for the business. Each business may be different and, therefore, might identify and select different metrics. (Page 24, Line 27-Page 25, Line 6)

At step 615, the business identifies its customers (e.g., clients of the business, other internal departments, and governmental entities). Stakeholders within the business might also be considered customers. Thus, at step 620, the business might determine that one or more shareholders are customers for the purpose of determining the value of the identified Intellectual Capitals. Even an internal client might be a customer to the business or business

unit. For example, one customer might be the business itself, as it will increase Customer Capital by delivering quality services, on time and under budget. This might result in satisfied customers who will renew contracts, provide more challenging assignments, and increase spending with the business. If the shareholder might be considered a customer, then the method returns to step 615. Otherwise, it proceeds to step 625. (Page 25, Lines 8-23)

The list of Customer Capital metrics that were selected in step 610, if any, are refined at step 625 to adequately reflect a value based on the selected customers and shareholders. Next, at step 630, any remaining ancillary metrics are selected. An ancillary metric might be any metric that has an indirect effect on the identified Intellectual Capital. For example, if the business wants to extend the capability of its staff then it may want to focus on particular customers to provide a challenge and develop the business further. (Page 25, Lines 24-33)

At step 635, the business considers what data is available. The available data is then applied to the appropriate selected metrics. Next, data is collected to suitably quantify the remaining metrics at step 640. Once the metrics have been quantified, the business may analyze the collection of selected metrics and determine an overall value for the identified Intellectual Capital. (Page 26, Lines 1-7)

With regard to the independent claims currently under Appeal, Appellants provide the following concise explanation of the subject matter recited in the claim elements. For brevity, Appellants do not necessarily identify every portion of the Specification and drawings relevant to the recited claim elements. Additionally, this explanation should not be used to limit Appellants claims but is intended to assist the Board in considering the Appeal of this Application.

For example, independent Claim 1 recites the following:

A method for measuring intellectual capital of an enterprise (e.g., Figures 3-5; Page 23, Line 30-Page 26, Line 7) comprising:

identifying one or more intellectual capitals to be measured (e.g., Figures 1-2 and 5, Page 6, Lines 1-20; Page 23, Line 30-Page 24, Line 26), wherein each intellectual capital comprises:

human capital comprising one or more capabilities of one or more individuals associated with the enterprise (e.g., Figures 1-2 and 5; Page

6, Lines 8-17; Page 6, Line 21-Page 7, Line 7; Page 23, Line 30-Page 24, Line 26);

structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise (e.g., Figures 1-2 and 5; Page 6, Lines 8-17; Page 7, Lines 8-25; Page 8, Lines 6-16; Page 23, Line 30-Page 24, Line 26); and

external capital comprising a value of one or more business relationships of the enterprise with one or more entities (e.g., Figures 1-2 and 5; Page 6, Lines 8-17; Page 7, Line 26-Page 8, Line 5; Page 8, Line 17-Page 9, Line 10; Page 23, Line 30-Page 24, Line 26);

selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics (e.g., Figures 1-2 and 5; Page 9, Line 11-Page 21, Line 6; Page 24, Line 27-Page 25, Line 33);

assigning values to the set of selected metrics (e.g., Figures 3-5; Page 21, Line 30-Page 22, Line 19; Page 22, Line 20-Page 23, Line 13; Page 23, Lines 14-29; Page 25, Line 24-Page 26, Line 7);

scaling the set of valued metrics, wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated (e.g., Figures 3-5; Page 9, Lines 20-29; Page 22, Line 20-Page 23, Line 13; Page 23, Lines 14-29); and

quantifying the identified intellectual capitals based on the scaled metrics (e.g., Figures 3-5; Page 21, Line 8-Page 22, Line 19; Page 23, Lines 14-29).

As another example, independent Claim 31 recites the following:

A balance sheet for measuring intellectual capital of an enterprise (e.g., Title, Technical Field of the Invention, Figures 2-5) comprising:

a list of metrics operable to value one or more intellectual capitals (e.g., Figures 1-2 and 5, Page 6, Lines 1-20; Page 23, Line 30-Page 24, Line 26), wherein each intellectual capital comprises:

human capital comprising one or more capabilities of one or more individuals associated with the enterprise (e.g., Figures 1-2 and 5; Page 6, Lines 8-17; Page 6, Line 21-Page 7, Line 7; Page 23, Line 30-Page 24, Line 26);

structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise (e.g., Figures 1-2 and 5; Page 6, Lines 8-17; Page 7, Lines 8-25; Page 8, Lines 6-16; Page 23, Line 30-Page 24, Line 26); and

external capital comprising a value of one or more business relationships of the enterprise with one or more entities (e.g., Figures 1-2 and

5; Page 6, Lines 8-17; Page 7, Line 26-Page 8, Line 5; Page 8, Line 17-Page 9, Line 10; Page 23, Line 30-Page 24, Line 26);

the list of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the list of metrics comprises one or more monetary metrics and one or more non-monetary metrics (e.g., Figures 1-2 and 5; Page 9, Line 11-Page 21, Line 6; Page 24, Line 27-Page 25, Line 33);

a set of algorithms operable to scale the metrics, wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated (e.g., Figures 2-5, Page 9, Lines 20-29; Page 22, Line 20-Page 23, Line 13; Page 23, Lines 14-29; Page 25, Line 24-Page 26, Line 7);

a set of mathematical calculations operable to associate the scaled metrics and further operable to quantify the intellectual capitals based on the associated metrics (e.g., Figures 2-5, Page 9, Lines 20-29; Page 21, Line 8-Page 22, Line 19; Page 22, Line 20-Page 23, Line 13; Page 23, Lines 14-29; Page 25, Line 24-Page 26, Line 7); and

a management view of the quantified intellectual capitals (e.g., Figures 3-4; Page 3, Lines 29-31; Page 9, Lines 20-25; Page 22, Line 20-Page 23, Line 29).

Grounds of Rejection to be Reviewed on Appeal

1. Are Claims 1-4, 11-19, 21, 31-34, 41-48, and 50 patentable under 35 U.S.C. § 103(a) over the Examiner's proposed combination of U.S. Patent 6,038,554 to Vig ("*Vig*") and U.S. Patent 6,411,936 to Sanders ("*Sanders*")?
2. Are Claims 5-10, 20, 22-30, 35-40, 49, and 51-59 patentable under 35 U.S.C. § 103(a) over the Examiner's proposed combination of *Vig*, *Sanders*, and U.S. Patent 6,321,205 to Eder ("*Eder*")?

Argument

I. Grouping of Claims

Appellants have made an effort to group claims to reduce the burden on the Board, as clearly contemplated by 37 C.F.R. § 41.37(c)(1)(vii). In the Argument section of this Appeal Brief, where appropriate, Appellants present arguments as to why particular claims subject to a ground of rejection are separately patentable from other claims subject to the same ground of rejection. To reduce the number of groups and thereby reduce the burden on the Board, Appellants do not argue individually every claim that recites patentable distinctions over the references cited by the Examiner, particularly in light of the clear allowability of Appellants' independent claims. The claims of each group provided below may be deemed to stand or fall together for purposes of this Appeal.

Appellants have concluded that the claims may be grouped together as follows:

With regard to the ground of rejection identified as issue 1 above, the claims subject to that ground of rejection may be grouped together as follows for purposes of this Appeal:

1. Group 1 may include independent Claims 1 and 31 and dependent Claims 2, 14-17, 32, and 43-46;
2. Group 2 may include Claims 3-4, 18-19, 21, 33-34, 47-48, and 50;
3. Group 3 may include Claim 11;
4. Group 4 may include Claims 12 and 41; and
5. Group 5 may include Claims 13 and 42.

With regard to the ground of rejection identified as issue 2 above, the claims subject to that ground of rejection may be grouped together as follows for purposes of this Appeal:

1. Group 1 may include Claims 5, 22-23, 25-27, 35, 51-52, and 54-56;
2. Group 2 may include Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59;
3. Group 3 may include Claims 7 and 37;
4. Group 4 may include Claims 9 and 39;
5. Group 5 may include Claims 20 and 49; and
6. Group 6 may include Claims 24 and 53.

II. Issue 1 – The Claims are Patentable over the Proposed *Vig-Sanders* Combination

Claims 1-4, 11-19, 21, 31-34, 41-48, and 50 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Examiner's proposed *Vig-Sanders* combination. A copy of *Vig* is attached as Appendix B, and a copy of *Sanders* is attached as Appendix C. Appellants respectfully submit that the Examiner's proposed *Vig-Sanders* combination fails to support the obviousness rejections of these claims. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

A. Standard for Demonstrating a *Prima Facie* Case of Obviousness

The question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. *See* 35 U.S.C. § 103(a). Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed below, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention.

The M.P.E.P. sets forth the strict legal standard for establishing a *prima facie* case of obviousness based on modification or combination of prior art references. "To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references where combined) must teach or suggest all the claim limitations." M.P.E.P. § 2142, 2143. The teaching, suggestion, or motivation for the modification or combination and the reasonable expectation of success must both be found in the prior art and cannot be based on an applicant's disclosure. *See Id.* (citations omitted). "Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art" at the time of the invention. M.P.E.P. § 2143.01.

Even the fact that references *can* be modified or combined does not render the resultant modification or combination obvious unless the prior art teaches or suggests the desirability of the modification or combination. *See Id.* (citations omitted). Moreover, "To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. All words in a claim must be considered in judging the patentability of that claim against the prior art." M.P.E.P. § 2143.03 (citations omitted).

The governing Federal Circuit case law makes this strict legal standard even more clear.¹ According to the Federal Circuit, "a showing of a suggestion, teaching, or motivation to combine or modify prior art references is an essential component of an obviousness holding." *In re Sang-Su Lee*, 277 F.3d 1338, 1343, 61 U.S.P.Q.2d 1430, 1433 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25, 56 U.S.P.Q.2d 1456, 1459 (Fed. Cir. 2000)). "Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved." *In re Dembiczak*, 175 F.3d 994, 999, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). However, the "range of sources available . . . does not diminish the requirement for actual evidence." *Id.* Although a prior art device "may be capable of being modified to run the way the apparatus is claimed, there must be a suggestion or motivation in the reference to do so." *In re Mills*, 916 F.2d at 682, 16 U.S.P.Q.2d at 1432. *See also In re Rouffet*, 149 F.3d 1350, 1357, 47 U.S.P.Q.2d 1453, 1457-58 (Fed. Cir. 1998) (holding a *prima facie* case of obviousness not made where the combination of the references taught every element of the claimed invention but did not provide a motivation to combine); *In Re Jones*, 958 F.2d 347, 351, 21 U.S.P.Q.2d 1941, 1944 (Fed. Cir. 1992) ("Conspicuously missing from this record is any evidence, other than the PTO's speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at" the claimed invention.). Even a determination that it would have been obvious to one of ordinary skill in the art at the time of the invention to try the proposed modification or combination is not sufficient to establish a *prima facie* case of obviousness. *See In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1599 (Fed. Cir. 1988).

¹ Note M.P.E.P. 2145 X.C. ("The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.").

In addition, the M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant's disclosure as a blueprint to reconstruct the claimed invention. For example, the M.P.E.P. states, "The tendency to resort to 'hindsight' based upon applicant's disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art." M.P.E.P. § 2142. The governing Federal Circuit cases are equally clear. "A critical step in analyzing the patentability of claims pursuant to [35 U.S.C. § 103] is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. . . . Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one 'to fall victim to the insidious effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher.'" *In re Kotzab*, 217 F.3d 1365, 1369, 55 U.S.P.Q.2d 1313, 1316 (Fed. Cir. 2000) (citations omitted). In *In re Kotzab*, the Federal Circuit noted that to prevent the use of hindsight based on the invention to defeat patentability of the invention, the court requires the Examiner to show a sufficient motivation in the prior art to combine the references that allegedly create the case of obviousness. *See id.* *See also, e.g., Grain Processing Corp. v. American Maize-Products*, 840 F.2d 902, 907, 5 U.S.P.Q.2d 1788, 1792 (Fed. Cir. 1988). Similarly, in *In re Dembiczak*, the Federal Circuit reversed a finding of obviousness by the Board, explaining that the required evidence of such a teaching, suggestion, or motivation is essential to avoid impermissible hindsight reconstruction of an applicant's invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999, 50 U.S.P.Q.2d at 1617 (emphasis added) (citations omitted).

B. Group 1 (Claims 1-2, 14-17, 31-32, and 43-46)

Claims 1-2, 14-17, 31-32, and 43-46 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Examiner's proposed *Vig-Sanders* combination. Appellants respectfully submit that these claims are clearly patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 1-2, 14-17, 31-32, and 43-46 are separately patentable from every other claim subject to the same ground of rejection. These claims recite limitations that are substantially different from limitations recited in other claims. In addition, claims excluded from Group 1 that are subject to the same ground of rejection and that depend on independent Claims 1 and 31, respectively, recite patentable distinctions over the cited references beyond those recited in independent Claims 1 and 31 and cannot be properly grouped with independent Claims 1 and 31 for purposes of this Appeal.

1. The Proposed *Vig-Sanders* Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Appellants' Claims

Vig, even when considered in combination with *Sanders*, fails to disclose, teach, or suggest various limitations recited in Appellants' claims. Appellants discuss independent Claim 1 as an example.

i. The Proposed *Vig-Sanders* Combination Fails to Disclose, Teach, or Suggest "Intellectual Capital," as Recited in Claim 1

The Examiner's proposed *Vig-Sanders* combination fails to disclose, teach, or suggest, as recited in Claim 1, a "method for measuring intellectual capital of an enterprise" comprising:

identifying one or more intellectual capitals to be measured, wherein each intellectual capital comprises:

human capital comprising one or more capabilities of one or more individuals associated with the enterprise;

structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise; and

external capital comprising a value of one or more business relationships of the enterprise with one or more entities.

One purpose of *Vig* is to determine the non-subjective value of something so that the non-subjective value can be compared to the dollar value of that something (i.e., the price) to determine whether that something is actually a good deal for a specific inquiring person. For example, *Vig* states, “The present invention’s method is the instant unearthing of the dollar value a hypothetically perfectly knowledgeable society would say something is worth.” (Column 5, Lines 24-26) In particular, *Vig* discloses determining the non-subjective value of a probed entity (e.g., a car or a doctor). Thus, the thing being valued in *Vig* is the probed entity.

The Examiner equates this “probed entity” disclosed in *Vig* with “identifying one or more intellectual capitals to be measured, wherein each intellectual capital comprises” “human capital,” “structural capital,” and “external capital,” as recited in Claim 1. Appellants respectfully submit that there is no disclosure, teaching, or suggestion in *Vig* that the probed entity is or could be “intellectual capital,” as recited in Appellants’ claims.

The Examiner relies on *Vig*’s vague statement that the probed entity could be “any other known or imaginable entity,” and the Examiner concludes that “intellectual capital does fall into any known or imaginable entity group.” (Final Office Action, Page 14) However, such a vague statement in *Vig* clearly fails to disclose, teach, or suggest the concrete limitations specifically recited in Claim 1, particularly that the thing being measure comprises intellectual capital of an enterprise and that each intellectual capital comprises:

- human capital comprising one or more capabilities of one or more individuals associated with the enterprise;
- structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise; and
- external capital comprising a value of one or more business relationships of the enterprise with one or more entities.

Because the thing being valued in *Vig* (i.e., the probed entity) is not disclosed as intellectual capital (i.e., the thing being measured in Claim 1), the probed entity disclosed in *Vig* cannot be equated with the intellectual capital recited in Claim 1. This deficiency in the

Examiner's rejection taints the entirety of the Examiner's application of the proposed *Vig-Sanders* combination to Appellants' claims.

With respect to intellectual capital comprising human capital, the Examiner relies on *Vig* and argues that *Vig*'s disclosure that the probed entity can include politicians, "where politicians represent individuals," can be equated with the intellectual capital comprising human capital. (See Final Office Action, Page 2) However, the disclosure of an "individual" clearly fails to disclose, teach, or suggest that the intellectual capital comprises "human capital comprising *one or more capabilities of one or more individuals* associated with the enterprise," as recited in Claim 1.

Additionally, the Examiner contends that "Vig discloses that a societal dollar value of the probed target unit is derived for human factors such as a human being's opinion as shown in claim 18 of Vig. In claim 18 of Vig, Vig discloses that 'current societal dollar value or ranking of said probed target unit . . . being able accurately to reflect and express the entire range of a human being's opinions, inclinations . . .'" (Final Office Action, Page 15) This statement in *Vig* also fails to disclose intellectual capital as recited in Claim 1. The societal dollar value derived from such human factors does not disclose, teach, or suggest, for example, "human capital comprising *one or more capabilities of one or more individuals* associated with the enterprise," as recited in Claim 1.

The Examiner correctly acknowledges that *Vig* fails to disclose that each intellectual capital comprises human capital, structural capital, and external capital. (Final Office Action, Page 4) However, the Examiner argues that *Sanders* discloses structural capital and external capital. Appellants respectfully disagree.

For example, *Sanders* fails to disclose, teach, or suggest each intellectual capital comprising "structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise," as recited in Claim 1. The portion of *Sanders* cited by the Examiner as allegedly disclosing "structural capital" merely states that "information about human resources includes at least one of employee functions, relevant experience, training, knowledge and personality

attributes, skills, capabilities, and contact information regarding the various individuals in the enterprise together with their current responsibilities, their position in the organizational structure, their current knowledge activity, current capability utilization, salaries, wages, benefits, and bonuses,” with “organizational structure” being the term highlighted by the Examiner as allegedly disclosing structural capital. (*See, Sanders*, Column 20, Lines 31-39; Final Office Action, Pages 4 and 15-16) Appellants do not agree that, nor has the Examiner explained how, an employee’s position in an organizational structure discloses, teaches, or suggests “structural capital comprising experience and expertise of the enterprise *embedded in one or more processes, policies, and systems associated with the enterprise*,” as recited in Claim 1.

As another example, *Sanders* fails to disclose, teach, or suggest each intellectual capital comprising “external capital comprising a value of one or more business relationships of the enterprise with one or more entities,” as recited in Claim 1. The portion of *Sanders* cited by the Examiner as allegedly disclosing external capital merely states “wherein the model includes information about technology trends, demographics, the industry in general, and other externalities related to the specific product or service markets of the enterprise,” with “externalities” being the term highlighted by the Examiner as allegedly disclosing external capital. (*See, Sanders*, Column 20, Line 66 through Column 21, Line 2; Final Office Action, Pages 4 and 16) Again, Appellants do not agree that, nor has the Examiner explained how, the vague term “externalities” discloses, teaches, or suggests “external capital comprising *a value of one or more business relationships of the enterprise with one or more entities*,” as recited in Claim 1.

Furthermore, even assuming for the sake of argument only that *Sanders* did disclose, teach, or suggest “structural capital” and “external capital,” as recited in Claim 1 (which it does not), the proposed *Vig-Sanders* combination still would not disclose, teach, or suggest each intellectual capital comprising “human capital,” “structural capital,” and “external capital” for purposes of measuring the intellectual capital of an enterprise.

ii. The Proposed *Vig-Sanders* Combination Fails to Disclose, Teach, or Suggest Additional Limitations Recited in Claim 1

Moreover, the proposed *Vig-Sanders* combination fails to disclose, teach, or suggest, as recited in Claim 1, measuring intellectual capital by:

- selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics;
- assigning values to the set of selected metrics;
- scaling the set of valued metrics, wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated; and
- quantifying the identified intellectual capitals based on the scaled metrics.

For example, the proposed *Vig-Sanders* combination fails to disclose, teach, or suggest “selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics,” as recited in Claim 1. Appellants respectfully submit that the Examiner’s contention to the contrary requires many unsupportable assumptions.

First, the Examiner’s position assumes that the proposed *Vig-Sanders* combination discloses, teaches, or suggests intellectual capital comprising “human capital,” “structural capital,” and “external capital.” As Appellants demonstrated above, it does not.

Second, even assuming that *Sanders* did make up for *Vig*’s deficiencies with respect to at least “structural capital” and “external capital” (which it does not), the Examiner’s position further assumes that it would have been obvious to one of ordinary skill in the art to modify *Vig*’s probed entity to include such “structural capital” and “external capital,” which (as described below in Section I.B.2) it would not have been.

Third, the Examiner’s position further assumes that, having modified *Vig* to include such “structural capital” and “external capital” purportedly disclosed in *Sanders* (and even further based on the assumption that *Vig* itself discloses “human capital” and that it would

have been obvious to include human capital, structural capital, and external capital in “intellectual capital”), it would have been obvious to select “a set of metrics that are present within the identified intellectual capitals [including human capital (purportedly disclosed in *Vig*), and including structural capital and external capital (which the Examiner modified *Vig* to include based on *Sanders*)],” as recited in Claim 1. Additionally, as recited in Claim 1, the selected set of metrics (for each intellectual capital) comprise one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital. Thus, even assuming that *Vig* discloses intellectual capital comprising human capital (which it does not) and even further assuming that *Vig* discloses selecting a set of metrics for such intellectual capital comprising “one or more metrics present within the human capital” (which it does not), the Examiner would then still have to modify *Vig* to select a set of metrics for each intellectual capital comprising “one or more metrics within the structural capital” (which the Examiner modified *Vig* to include based on *Sanders*) and “one or more metrics present within the external capital” (which the Examiner modified *Vig* to include based on *Sanders*). Furthermore, Claim 1 recites that the selected set of metrics “comprises one or more monetary metrics and one or more non-monetary metrics,” as recited in Claim 1. Appellants respectfully submit that by employing these many assumptions, the Examiner has not established a *prima facie* case of obviousness consistent with the requirements of applicable statutes, case law, and regulations.

The Examiner asserts that “selecting a set of metrics that are present within the identified intellectual capitals . . . ,” as recited in Claim 1, is disclosed at “Col. 73, lines 49-54, where metrics are represented by the characteristics, quality, trait, etc., Col. 6, line 65-Col. 7, line 4, where the monetary worth represents the monetary metric, Col. 6, lines 65-67, where non-monetary metrics are represented by the ‘ride quality’ and ‘reliability’” in *Vig*. Appellants respectfully traverse the Examiner’s position. As Appellants have repeatedly pointed out during prosecution, the cited monetary worth (asserted by the Examiner to equate with “monetary metrics” recited by the present claims) is the result of *Vig*’s valuation, not a “metric” used in computing *Vig*’s valuation. For example, *Vig* discloses that the system is for “discovering both an entity’s actual current societal monetary value and its contemporary monetary worth.” (See, e.g., *Vig*, Abstract) In another example, *Vig* teaches that what “an entity is, does and has are what matter *as to its true monetary worth or ranking*.” (See, e.g.,

Vig, Column 2, Lines 58-59, emphasis added) Moreover, *Vig* states that “[p]rice is *never* a factor of value.” (*Vig*, Column 2, Line 61, emphasis added)

Therefore, *Vig* fails to disclose, teach, or suggest “wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics,” as recited by the Claim 1. Furthermore, *Vig* certainly fails to disclose, teach, or suggest “the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital,” as recited in Claim 1.

Moreover, Appellants respectfully submit that the Examiner’s many assumptions discussed above are only compounded as the Examiner attempts to map the proposed *Vig-Sanders* combination to the remaining elements of Claim 1. This further reveals that Examiner has not established a *prima facie* case of obviousness consistent with the requirements of applicable statutes, case law, and regulations, based on these many assumptions.

For at least these reasons, Appellants respectfully submit that the proposed *Vig-Sanders* combination fails to disclose, teach, or suggest each and every limitation recited in Claim 1. For at least these reasons, Appellants respectfully submit that the rejection of independent Claim 1 and its dependent claims is improper and should be reversed by the Board. For at least analogous reasons, Appellants respectfully submit that the rejection of independent Claim 31 and its dependent claims is improper and should be reversed by the Board.

2. The Proposed *Vig-Sanders* Combination is Improper

Appellants also respectfully submit that the Examiner’s proposed *Vig-Sanders* combination is improper. The Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* or *Sanders* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

Appellants respectfully submit that the Examiner's conclusory assertion that it would have been obvious to combine the teachings of *Vig* with the teachings of *Sanders* to purportedly arrive at Appellants' invention is insufficient to support a *prima facie* case of obviousness under 35 U.S.C. § 103(a) under the M.P.E.P. and the governing Federal Circuit case law.

As discussed above in Section I.A, the question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed above, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention. It is clear based at least on the many distinctions discussed above that the proposed *Vig-Sanders* combination does not, taken as a whole, suggest the claimed invention, taken as a whole.

With regard to the proposed *Vig-Sanders* combination, the Examiner indicated that "[i]t would have been obvious to one of ordinary skill in the art at the time of applicants' invention to incorporate structural and external capital with the motivation of measuring intellectual capital of an enterprise according to a wide variety of defined capital." (Final Office Action, Page 4). First, as discussed above, Appellants dispute that *Sanders* discloses structural and external capital, as recited in Appellants' claims. Second, the Examiner merely proposed an alleged advantage of combining *Vig* with *Sanders*. The Examiner did not point to any portions of either *Vig* or *Sanders* that would teach, suggest, or motivate one of ordinary skill in the art at the time of invention to incorporate the non-subjective valuation system disclosed in *Vig* with the enterprise value enhancement system and method disclosed in *Sanders*. Instead, the Examiner stated that "the combination of these two references is valid since both references disclose systems for determining the value of an entity, such as an enterprise (as disclosed in *Sanders*), by receiving feedback from users through surveys." (Final Office Action, Page 16) The simple fact that two references may relate to similar subject matter is insufficient to provide the requisite teaching, suggestion, or motivation to

combine the particular teachings of one reference with the particular teachings of the other reference.

It certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the cited references, *to even attempt* to incorporate into the non-subjective valuation system disclosed in *Vig* such an enterprise value enhancement system and method as the one disclosed in *Sanders*. Even more clearly, it certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the cited references, *to actually* incorporate into the non-subjective valuation system disclosed in *Vig* such an enterprise value enhancement system and method, which would be required to establish a *prima facie* case of obviousness under the M.P.E.P. and the governing Federal Circuit case law. This is particularly true in light of the fact that at least *Vig* does not even relate to intellectual capital as recited in Appellants' claims. Additionally, the lack of a motivation or suggestion to combine these references is further evidenced by the many assumptions discussed above in Section I.B.1 required of the Examiner in order to combine these references.

Additionally, "the factual inquiry whether to combine references must be thorough and searching." *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52, 60 U.S.P.Q.2d 1001, 1008 (Fed. Cir. 2001). Thus, the burden is on the Examiner to identify concrete evidence in the record to support his conclusion that it would have been obvious to modify the teachings of the cited references to achieve the claimed invention. *See, In re Kotzab*, 217 F.3d 1365, 1370, 55 U.S.P.Q.2d 1313, 1316-17 (Fed. Cir. 2000). The Examiner's conclusory assertion that it would have been obvious to combine *Vig* with *Sanders*, in hindsight using Appellants' claims as a blueprint, fails to provide a thorough and searching factual inquiry

and does not identify any concrete evidence in the record for combining these references in the manner proposed by the Examiner.²

Accordingly, since the cited references fails to provide the required teaching, suggestion, or motivation to combine *Vig* with *Sanders* in the manner the Examiner proposed, Appellants respectfully submit that the Examiner's conclusions set forth in the Final Office Action fall well short of the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness. Thus, Appellants respectfully submit that the Examiner's proposed combination of *Vig* with *Sanders* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Appellants' claims and is unsupported by the teachings of *Vig* and *Sanders*.

For at least these additional reasons, Appellants respectfully submit that the Examiner has failed to demonstrate a *prima facie* case of obviousness with respect to independent Claim 1. For at least analogous reasons, Appellants respectfully submit that the Examiner has failed to demonstrate a *prima facie* case of obviousness with respect to independent Claim 31. Thus, Appellants respectfully submit that the rejections of independent Claims 1 and 31 and their dependent claims are improper and should be reversed by the Board.

3. Conclusion with respect to Group 1

As demonstrated above, the proposed *Vig-Sanders* combination fails to disclose, teach, or suggest various limitations recited in Claim 1. Additionally, even if *Sanders* disclosed, taught, or suggested the deficiencies of *Vig* (which it does not), the Examiner has still failed to demonstrate the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or in knowledge generally available to one of ordinary skill in the art to combine or modify *Vig* with *Sanders* in the manner the Examiner proposes.

² During prosecution, Appellants requested that if the Examiner was relying on "common knowledge" or "well known" art to combine or modify *Vig* and *Sanders*, the Examiner provide a reference pursuant to M.P.E.P. § 2144.03 to support such an argument. Appellants also requested that if the Examiner was relying on personal knowledge to supply the required motivation or suggestion to combine or modify *Vig* and *Sanders*, the Examiner provide an affidavit supporting such facts pursuant to M.P.E.P. § 2144.03. The Examiner did not do so. Appellants respectfully submit that since such a reference or affidavit was not supplied by the Examiner, and since such motivation or suggestion is lacking in the references, the obviousness rejection made by the Examiner was clearly inappropriate.

For at least these reasons, the proposed *Vig-Sanders* combination fails to support the obviousness rejection of independent Claim 1 and its dependent claims. For at least analogous reasons, the proposed *Vig-Sanders* combination fails to support the obviousness rejection of independent Claim 31 and its dependent claims. These claims are therefore patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

C. Group 2 (Claims 3-4, 18-19, 21, 33-34, 47-48, and 50)

Claims 3-4, 18-19, 21, 33-34, 47-48, and 50 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these claims are clearly patentable over proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 3-4, 18-19, 21, 33-34, 47-48, and 50 are separately patentable from every other claim subject to the same ground of rejection. These claims recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal. For example, these claims recite patentable distinctions over the cited references beyond those recited in independent Claims 1 and 31.

Dependent Claims 3-4, 18-19, and 21 and dependent Claims 33-34, 47-48, and 50 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination, and are allowable for at least this reason. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 3-4, 18-19, 21, 33-34, 47-48, and 50 recite further patentable distinctions over the proposed *Vig-Sanders* combination.

For example, dependent Claim 3 recites that “the structural capital comprises innovation capital and process capital.” Dependent Claim 33 recites analogous limitations. *Vig*, whether considered alone or in combination with *Sanders*, fails to disclose, teach, or suggest these limitations.

The Examiner correctly acknowledges that *Vig* fails to disclose these limitations; however, the Examiner argues that *Sanders* discloses these limitations. Even assuming, for the sake of argument only, that *Sanders* discloses the concepts of “innovation capital” and “process capital” (with which Appellants do not necessarily agree), the proposed *Vig-Sanders* combination would still fail to disclose, teach, or suggest at least the following limitations recited in Claim 3 through its dependence on independent Claim 1:

- identifying one or more intellectual capitals to be measured, wherein each intellectual capital comprises . . . structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise [wherein the structural capital comprises innovation capital and process capital];
- selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising . . . one or more metrics within the structural capital [which comprises innovation capital and process capital] . . . wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics;
- assigning values to the set of selected metrics [comprising one or more metrics present within the structural capital, which comprises innovation capital and process capital];
- scaling the set of valued metrics [comprising one or more metrics present within the structural capital, which comprises innovation capital and process capital], wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated; and
- quantifying the identified intellectual capitals [comprising structural capital comprising innovation capital and process capital] based on the scaled metrics [comprising one or more scaled metrics present within the structural capital, which comprises innovation capital and process capital].

Neither of the cited portions of *Sanders* that the Examiner identifies as purportedly disclosing “innovation capital” and “process capital” disclose, teach, or suggest performing these limitations with respect to those allegedly disclosed concepts. *Vig* fails to make up for these deficiencies of *Sanders*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* or *Sanders* in the manner the Examiner proposed. The Examiner states, without citation, that “[i]t would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention for the structural capital to comprise innovation capital and process capital with the motivation of gathering all of the pieces necessary to physically and financially complete a structure." (Final Office Action, Page 5) Such unsupported and conclusory assertions are plainly insufficient to satisfy the heavy burden incumbent on the Examiner to demonstrate a *prima facie* case of obviousness, and constitute impermissible hindsight reconstruction of Appellants' claims. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders* combination fails support the obviousness rejection of dependent Claims 3-4, 18-19, 21, 33-34, 47-48, and 50. These claims are therefore patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

D. Group 3 (Claim 11)

Claim 11 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that Claim 11 is clearly patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that this rejection is therefore improper and should be reversed by the Board.

Claim 11 is separately patentable from every other claim subject to the same ground of rejection. Claim 11 recites limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal. For example, Claim 11 recite patentable distinctions over the cited references beyond those recited in independent Claim 1 from which Claim 11 depends.

Dependent Claim 11 depends from independent Claim 1, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination, and is allowable for at least this reason. Furthermore, in addition to those reasons discussed above with reference to independent Claim 1, dependent Claim 11 recites further patentable distinctions over the proposed *Vig-Sanders* combination.

For example, dependent Claim 11 recites that the method of Claim 1 further comprises “defining a relationship between financial capital and the intellectual capital.” *Vig*, whether considered alone or in combination with *Sanders*, fails to disclose, teach, or suggest these limitations.

The Examiner cites the following portion of *Vig* as allegedly disclosing these limitations:

. . . said method and procedure having the purpose of discovering both the communal and particular monetary value of any said probed test entity in terms of a hypothetically ideally informed society and/or a theoretically optimally knowledgeable unique individual, regardless of said probed entity’s actual market price.

(Column 69, Lines 10-14; Final Office Action, Page 5) The Examiner particularly refers to the communal and particular monetary value disclosed in this cited portion of *Vig*. First, Appellants respectfully submit that the Examiner’s apparent equation of “the communal and particular monetary value,” as disclosed in *Vig*, with “financial capital” and “the intellectual capital,” as recited in Claim 11 is improper. Second, even assuming for the sake of argument only that “the communal and particular monetary value” could be equated with the “financial capital” and “innovation capital” recited in Claim 11, the cited portion of *Vig* would still fail to disclose, teach, or suggest defining a relationship between the communal and particular monetary value, as would be required for *Vig* to disclose, teach, or suggest the particular limitations recited in Claim 11. In other words, the Examiner has merely identified two values disclosed in *Vig* (the communal value and the monetary value) without identifying any disclosure, teaching, or suggestion in *Vig* (or *Sanders*) of defining a relationship between the two values.

Sanders fails to make up for these deficiencies of *Vig*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* or *Sanders* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders* combination fails support the obviousness rejection of dependent Claim 11. Claim 11 is therefore patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that this rejection is improper and should be reversed by the Board.

E. Group 4 (Claims 12 and 41)

Claims 12 and 41 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these claims are clearly patentable over proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 12 and 41 are separately patentable from every other claim subject to the same ground of rejection. These claims recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal. For example, these claims recite patentable distinctions over the cited references beyond those recited in independent Claims 1 and 31.

Dependent Claims 12 and 41 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination, and are allowable for at least this reason. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 12 and 41 recite further patentable distinctions over the proposed *Vig-Sanders* combination.

For example, dependent Claim 12 recites that the method of Claim 1 further comprises “creating a radar diagram, wherein the radar diagram comprises: a plurality of scaled axes, wherein each scaled axis represents one of the metrics present in the intellectual capital; and a point on each axis to represent the quantified metrics.” Dependent Claim 41 recites analogous (although not necessarily identical) limitations. *Vig*, whether considered alone or in combination with *Sanders*, fails to disclose, teach, or suggest these limitations.

The Examiner correctly acknowledges that *Vig* fails to disclose the limitations recited in Claim 12; however, the Examiner argues that *Sanders* discloses these limitations. Appellants respectfully disagree. As allegedly disclosing the limitations recited in Claim 12, the Examiner references the multidimensional chart shown in Figure 4 of *Sanders*, along with Column 9, Lines 10-22 of *Sanders*. (Final Office Action, Page 7) The multidimensional chart shown in Figure 4 of *Sanders* is plainly not a “radar diagram.” For example, Appellants respectfully direct the Board’s attention to FIGURES 3-4 of Appellants’ Specification, which illustrate just one example radar diagram.

Even more clearly, there is no disclosure, teaching, or suggestion in *Sanders* that any axes of the multidimensional chart shown in Figure 4 are scaled axes, each representing one of the metrics present in the intellectual capital, or that the multidimensional chart comprises “a point on each axis to represent the quantified metric,” as would be required for *Sanders* to disclose, teach, or suggest the limitations recited in Claim 12.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* or *Sanders* in the manner the Examiner proposed. The Examiner states, without citation, that “[i]t would have been obvious to one of ordinary skill in the art for a scaled axis to represent one of the metrics present in the intellectual capital with the motivation of allowing a user to clearly visualize the intellectual capital result.” (Final Office Action, Page 7) Such unsupported and conclusory assertions are plainly insufficient to satisfy the heavy burden incumbent on the Examiner to demonstrate a *prima facie* case of obviousness, and constitute impermissible hindsight reconstruction of Appellants’ claims. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders* combination fails support the obviousness rejection of dependent Claims 12 and 41. These claims are therefore patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

F. Group 5 (Claims 13 and 42)

Claims 13 and 42 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these claims are clearly patentable over proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 13 and 42 are separately patentable from every other claim subject to the same ground of rejection. These claims recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal. For example, these claims recite patentable distinctions over the cited references beyond those recited in independent Claims 1 and 31.

Dependent Claims 13 and 42 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination, and are allowable for at least this reason. Additionally, dependent Claims 13 and 42 depend from dependent Claims 12 and 41, which Appellants have shown above to be allowable over the proposed *Vig-Sanders* combination and are allowable for at least this additional reason. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31 and dependent Claims 12 and 41, dependent Claims 13 and 42 recite further patentable distinctions over the proposed *Vig-Sanders* combination.

For example, dependent Claim 13 recites that “quantifying the identified intellectual capitals based on the scaled metrics comprises determining the total area enclosed in the radar diagram.” Dependent Claim 42 recites analogous (although not necessarily identical) limitations. *Vig*, whether considered alone or in combination with *Sanders*, fails to disclose, teach, or suggest these limitations.

The Examiner rejects Claims 13 and 42 on the same bases as the Examiner rejected dependent Claims 12 and 41. Appellants discussed above the inadequacy of those rejections. For example, Appellants discussed that the proposed *Vig-Sanders* combination fails to disclose, teach, or suggest “creating a radar diagram,” as recited in Claim 12 for example.

The proposed *Vig-Sanders* combination also fails to disclose, teach, or suggest “wherein quantifying the identified intellectual capitals based on the scaled metrics [as recited in Claims 1 and 13] comprises determining the total area enclosed in the radar diagram,” as recited in Claim 13. The cited portions of *Vig* and *Sanders* do not even refer to such a concept, which is not surprising given that both references fail to even disclose, teach, or suggest “a radar diagram,” as recited in Claims 12 and 41.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* or *Sanders* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders* combination fails support the obviousness rejection of dependent Claims 13 and 42. These claims are therefore patentable over the proposed *Vig-Sanders* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

III. Issue 2 – The Claims are Patentable over the Proposed *Vig-Sanders-Eder* Combination

Claims 5-10, 20, 22-30, 35-40, 49, and 51-59 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Examiner’s proposed *Vig-Sanders-Eder* combination. A copy of *Eder* is attached as Appendix D. Appellants respectfully submit that the Examiner’s proposed *Vig-Sanders-Eder* combination fails to support the obviousness rejections of these claims. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

A. Standard for Demonstrating a *Prima Facie* Case of Obviousness

Appellants respectfully direct the Board’s attention to Section I.A above, which discusses the heavy burden incumbent on the Examiner for demonstrating a *prima facie* case of obviousness.

B. Group 1 (Claims 5, 22-23, 25-27, 35, 51-52, and 54-56)

Claims 5, 22-23, 25-27, 35, 51-52, and 54-56 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the Examiner's proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these claims are clearly patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Dependent Claims 5, 22-23, and 25-27 and dependent Claims 35, 51-52, and 54-56 dependent from independent Claims 1 and 31, respectively. At least because dependent Claims 5, 22-23, 25-27, 35, 51-52, and 54-56 are subject to a different ground of rejection than independent Claims 1 and 31, these dependent claims cannot be grouped with independent Claims 1 and 31 for purposes of this Appeal. Additionally, dependent Claims 5, 22-23, 25-27, 35, 51-52, and 54-56 are separately patentable from every other claim subject to the same ground of rejection as these dependent claims. These claims recite limitations that are substantially different from limitations recited in other claims.

Dependent Claims 5, 22-23, and 25-27 and dependent Claims 35, 51-52, and 54-56 dependent from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 5, 22-23, and 25-27 and dependent Claims 35, 51-52, and 54-56 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 5, 22-23, 25-27, 35, 51-52, and 54-56 are allowable over the proposed *Vig-Sanders-Eder* combination for further reasons.

For example, Appellants respectfully submit that the Examiner's proposed *Vig-Sanders-Eder* combination is improper. As Appellants demonstrated above, the Examiner has not shown the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine *Vig* and *Sanders* in the manner the Examiner proposes. Appellants also respectfully submit that

the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

Appellants respectfully submit that the Examiner's conclusory assertion that it would have been obvious to combine the teachings of *Vig*, *Sanders*, and *Eder* to purportedly arrive at Appellants' invention is insufficient to support a *prima facie* case of obviousness under 35 U.S.C. § 103(a) under the M.P.E.P. and the governing Federal Circuit case law.

As discussed above in Section I.A, the question raised under 35 U.S.C. § 103 is whether the cited references taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed above, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention. It is clear based at least on the many distinctions discussed herein that the proposed *Vig-Sanders-Eder* combination does not, taken as a whole, suggest the claimed invention, taken as a whole.

With regard to the proposed *Vig-Sanders-Eder* combination, the Examiner indicated that "[i]t would have been obvious to one of ordinary skill in the art at the time of the invention for process capital to be determined based on business improvement with the motivation of taking the cost of accurately carrying out a process and having an optimized product into consideration." (Final Office Action, Page 9). First, as discussed above, Appellants dispute that *Sanders* discloses structural capital, as recited in Appellants' claims (including Claims 1 and 3 from which Claim 5 depends). Second, the Examiner merely proposed an alleged advantage of combining the proposed *Vig-Sanders* combination with *Eder*. The Examiner did not point to any portions of *Vig*, *Sanders*, or *Eder* that would teach, suggest, or motivate one of ordinary skill in the art at the time of invention to incorporate the

non-subjective valuation system disclosed in *Vig* and the enterprise value enhancement system and method disclosed in *Sanders* with the method and system for modeling and analyzing business improvement programs disclosed in *Eder*. Instead, the Examiner merely concluded that such a combination would have been obvious “with the motivation of taking the cost of accurately carrying out a process and having an optimized product into consideration.” (Final Office Action, Page 9)

It certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the prior art, *to even attempt* to incorporate into the non-subjective valuation system disclosed in *Vig* and the enterprise value enhancement system and method as the one disclosed in *Sanders* with the method and system for modeling and analyzing business improvement programs disclosed in *Eder*. Even more clearly, it certainly would not have been obvious to one of ordinary skill in the art at the time of the invention, based solely on the prior art, *to actually* incorporate into the non-subjective valuation system disclosed in *Vig* and the enterprise value enhancement system and method with the method and system for modeling and analyzing business improvement programs disclosed in *Eder*, which would be required to establish a *prima facie* case of obviousness under the M.P.E.P. and the governing Federal Circuit case law. This is particularly true in light of the fact that at least *Vig* does not even relate to intellectual capital as recited in Appellants’ claims.

Additionally, “the factual inquiry whether to combine references must be thorough and searching.” *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52, 60 U.S.P.Q.2d 1001, 1008 (Fed. Cir. 2001). Thus, the burden is on the Examiner to identify concrete evidence in the record to support his conclusion that it would have been obvious to modify the teachings of the cited references to achieve the claimed invention. *See, In re Kotzab*, 217 F.3d 1365, 1370, 55 U.S.P.Q.2d 1313, 1316-17 (Fed. Cir. 2000). The Examiner’s conclusory assertion that it would have been obvious to combine the proposed *Vig-Sanders* combination with *Eder*, in hindsight using Appellants’ claims as a blueprint, fails to provide a thorough and searching factual inquiry and does not identify any concrete evidence in the record for combining these references in the manner proposed by the Examiner.

Accordingly, since the cited references fails to provide the required teaching, suggestion, or motivation to combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposed, Appellants respectfully submit that the Examiner's conclusions set forth in the Final Office Action fall well short of the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness. Thus, Appellants respectfully submit that the Examiner's proposed combination of *Vig* and *Sanders* with *Eder* appears to be merely an attempt, with the benefit of hindsight, to reconstruct Appellants' claims and is unsupported by the teachings of *Vig*, *Sanders*, and *Eder*.

For at least these reasons, Appellants respectfully submit that the Examiner has failed to demonstrate a *prima facie* case of obviousness with respect to dependent Claim 5 and its dependent claims. For at least analogous reasons, Appellants respectfully submit that the Examiner has failed to demonstrate a *prima facie* case of obviousness with respect to dependent Claim 35 and its dependent claims. Thus, Appellants respectfully submit that the rejections of dependent Claims 5 and 35 and their dependent claims are improper and should be reversed by the Board.

C. Group 2 (Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59)

Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these claims are clearly patentable over proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59 are separately patentable from every other claim subject to the same ground of rejection. These claims recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal.

Dependent Claims 6, 8, 10, and 28-30 and dependent Claims 36, 38, 40, and 57-59 depend from independent Claims 1 and 31, respectively, which Appellants have shown above

to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 6, 8, 10, 28-30, 36, 38, 40, and 57-59 recite patentable distinctions over the proposed *Vig-Sanders-Eder* combination.

For example, dependent Claim 6 recites that “the external capital comprises supplier capital, customer capital, partner capital, and image in market.” Dependent Claim 36 recites analogous limitations. The proposed *Vig-Sanders* combination, whether considered alone or in combination with *Eder*, fails to disclose, teach, or suggest these limitations.

The Examiner correctly acknowledges that *Vig* fails to disclose these limitations; however, the Examiner argues that *Eder* discloses these limitations. The Examiner’s rejection is inadequate at least because the Examiner merely addressed, in the rejection of Claim 6, the recitation of “customer capital” in Claim 6. (See Final Office Action, Page 12) Claim 6 recites that “the external capital comprises supplier capital, customer capital, partner capital, *and* image in market.” Thus, even assuming for the sake of argument only that *Eder* did disclose, teach, or suggest “customer capital” (which Appellants do not concede), the proposed *Vig-Sanders-Eder* combination would still fail to disclose, teach, or suggest external capital comprising supplier capital, partner capital, and image in market, along with customer capital, as recited in Claim 6.

Sanders fails to make up for these deficiencies of *Vig* and *Eder*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner

proposes. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders-Eder* combination fails support the obviousness rejection of dependent Claims 6 and 36 and the claims that depend on dependent Claims 6 and 36. These claims are therefore patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

D. Group 3 (Claims 7 and 37)

Claims 7 and 37 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that Claims 7 and 37 are clearly patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 7 and 37 are separately patentable from every other claim subject to the same ground of rejection. Claims 7 and 37 recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal.

Dependent Claims 7 and 37 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 7 and 37 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 7 and 37 recite patentable distinctions over the proposed *Vig-Sanders-Eder* combination.

For example, dependent Claim 7 recites that “the supplier capital [for which antecedent basis is provided in dependent Claim 6] is determined based on a plurality of

parameters, including one or more of the following: a satisfied supplier index; success in leveraging internal suppliers to external markets; and customer satisfaction with suppliers.” Dependent Claim 37 recites analogous limitations. The proposed *Vig-Sanders* combination, whether considered alone or in combination with *Eder*, fails to disclose, teach, or suggest these limitations.

The Examiner relies on *Vig* as purportedly disclosing these limitations. (Final Office Action, Page 12) Appellants note that the Examiner relied on *Sanders*, not *Vig*, as allegedly disclosing the “external capital” that comprises the “supplier capital.” In any event, the Examiner cites the following portion of *Vig* as allegedly disclosing the limitations recited in Claim 7:

Quick example: How many people today know precisely how comparatively important the quality of safety is to him in a new passenger car, relative to competing characteristics such as an automobile’s comfort, style, speed, fashionableness, make-reputation, per mile cost of operation, passenger satisfaction, roominess, quality of warranty, gas mileage, and the other 300 considerable qualities?

(Column 30, Lines 6-12; Final Office Action, Page 12)

In particular,. the Examiner apparently equates “customer satisfaction with suppliers,” as recited in Claim 7, with “passenger satisfaction,” as disclosed in *Vig*, and apparently concludes that it would have been obvious for supplier capital to be determined based on a plurality of parameters including such passenger satisfaction. Even assuming for the sake of argument only that the “passenger satisfaction” disclosed in *Vig* could be equated with the “customer satisfaction with suppliers” recited in Claim 7 (which Appellants do not concede), *Vig* would still fail to disclose, teach, or suggest that “supplier capital is determined based on a plurality of parameters, including” passenger satisfaction, as would be required for *Vig* to disclose, teach, or suggest the limitations recited in Claim 7 according to the basis of the Examiner’s rejection. For example, it is not clear how the comparative importance of the quality of safety of a new car and competing characteristics such as passenger satisfaction, as disclosed in *Vig*, even relates to “supplier capital [being] determined based on a plurality of parameters, including . . . customer satisfaction with suppliers,” as recited in Claim 7.

Sanders and *Eder* fail to make up for these deficiencies of *Vig*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders-Eder* combination fails support the obviousness rejection of dependent Claims 7 and 37. Claims 7 and 37 are therefore patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

E. Group 4 (Claims 9 and 39)

Claims 9 and 39 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that Claims 9 and 39 are clearly patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 9 and 39 are separately patentable from every other claim subject to the same ground of rejection. Claims 9 and 39 recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal.

Dependent Claims 9 and 39 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 9 and 39 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those

reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 9 and 39 recite patentable distinctions over the proposed *Vig-Sanders-Eder* combination.

For example, dependent Claim 9 recites that “the partner capital [for which antecedent basis is provided in dependent Claim 6] is determined based on a plurality of parameters, including one or more of the following: a partner satisfaction index; customer satisfaction with a partner; and competence enhancing partners.” Dependent Claim 39 recites analogous limitations. The proposed *Vig-Sanders* combination, whether considered alone or in combination with *Eder*, fails to disclose, teach, or suggest these limitations.

The Examiner relies on *Vig* as purportedly disclosing these limitations. (Final Office Action, Page 12) Appellants note that the Examiner relied on *Sanders*, not *Vig*, as allegedly disclosing the “external capital” that comprises the “partner capital.” In any event, the Examiner cites the same portion of *Vig* that the Examiner cited with reference to dependent Claim 7, discussed above, and again relies on the “passenger satisfaction” disclosed in *Vig* as allegedly disclosing “customer satisfaction with a partner,” as recited in Claim 9. (See Final Office Action, Page 12 and *Vig*, Column 30, Lines 6-12)

First, Appellants respectfully submit that “passenger satisfaction” with an automobile, as disclosed in *Vig*, clearly fails to disclose, teach, or suggest “customer satisfaction with a partner,” as recited in Claim 9. Second, even assuming for the sake of argument only that the “passenger satisfaction” disclosed in *Vig* could be equated with the “customer satisfaction with a partner,” as recited in Claim 7, *Vig* would still fail to disclose, teach, or suggest that “partner capital is determined based on a plurality of parameters, including” passenger satisfaction, as would be required for *Vig* to disclose, teach, or suggest the limitations recited in Claim 9 according to the basis of the Examiner’s rejection. For example, it is not clear how the comparative importance of the quality of safety of a new car and competing characteristics such as passenger satisfaction, as disclosed in *Vig*, even relates to “partner capital [being] determined based on a plurality of parameters, including . . . customer satisfaction with a partner,” as recited in Claim 9.

Sanders and *Eder* fail to make up for these deficiencies of *Vig*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposes. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders-Eder* combination fails support the obviousness rejection of dependent Claims 9 and 39. Claims 9 and 39 are therefore patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

F. Group 5 (Claims 20 and 49)

Claims 20 and 49 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that Claims 20 and 49 are clearly patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 20 and 49 are separately patentable from every other claim subject to the same ground of rejection. Claims 20 and 49 recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal.

Dependent Claims 20 and 49 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 20 and 49 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those

reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 20 and 49 recite patentable distinctions over the proposed *Vig-Sanders-Eder* combination.

For example, dependent Claim 20 recites that “the external communications regarding inventions [for which antecedent basis is provided in dependent Claim 4] is determined based on a plurality of metrics, including one or more of the following: published internal achievements; words in print; external seminar hosting; and work being done by academic bodies.” Dependent Claim 49 recites analogous limitations. The proposed *Vig-Sanders* combination, whether considered alone or in combination with *Eder*, fails to disclose, teach, or suggest these limitations.

The Examiner correctly acknowledges that neither *Vig* nor *Sanders* discloses the limitations recited in Claim 20; however, the Examiner argues that *Eder* discloses the limitations recited in Claim 20. (Final Office Action, Page 9) Appellants respectfully disagree. As disclosing these limitations, the Examiner cites Column 19, Lines 55-61 of *Eder*, particularly equating *Eder*’s disclosure of revenue with “published internal achievements,” as recited in Claim 20.

Appellants respectfully disagree that “revenue” can necessarily be equated with “published internal achievements,” as recited in Claim 20. Moreover, there is simply no indication in *Eder* as to how such revenue has any relation to “external communications” or “inventions,” as recited in Claim 20. Even more clearly, even assuming that “revenue,” as disclosed in *Eder*, could be equated with “published internal achievements,” as recited in Claim 20, *Eder* would still fail to disclose, teach, or suggest that “the external communications regarding inventions is determined based on a plurality of metrics, including” revenue, which would be required for *Eder* to disclose, teach, or suggest the limitations recited in Claim 20 according to the basis of the Examiner’s rejection.

Vig and *Sanders* fail to make up for these deficiencies of *Eder*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge

generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposes. With respect to Claim 20, the Examiner states, without citation, that “[i]t would have been obvious to one of ordinary skill in the art at the time of the applicant’s invention for the external communications regarding inventions to be determined based on a plurality of metrics including published internal achievements with the motivation of selecting particular achievements to display to the public in order to positively represent the invention.” (Final Office Action, Page 9) First the Examiner’s statement does not address how *Eder*’s disclosure of “revenue” has any relation to this purported motivation to combine or modify the cited references. Second, such unsupported and conclusory assertions are plainly insufficient to satisfy the heavy burden incumbent on the Examiner to demonstrate a *prima facie* case of obviousness, and constitute impermissible hindsight reconstruction of Appellants’ claims. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders-Eder* combination fails support the obviousness rejection of dependent Claims 20 and 49. Claims 20 and 49 are therefore patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

G. Group 6 (Claims 24 and 53)

Claims 24 and 53 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that Claims 24 and 53 are clearly patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are therefore improper and should be reversed by the Board.

Claims 24 and 53 are separately patentable from every other claim subject to the same ground of rejection. Claims 24 and 53 recite limitations that are substantially different from limitations recited in the claims of other groups and cannot be properly grouped with the claims of other groups for purposes of this Appeal.

Dependent Claims 24 and 53 depend from independent Claims 1 and 31, respectively, which Appellants have shown above to be clearly patentable over the proposed *Vig-Sanders* combination. *Eder* fails to make up for the deficiencies of the proposed *Vig-Sanders* combination with respect to independent Claims 1 and 31. Thus, dependent Claims 24 and 53 are patentable over the proposed *Vig-Sanders-Eder* combination at least due to their respective dependence on independent Claims 1 and 31. Furthermore, in addition to those reasons discussed above with reference to independent Claims 1 and 31, dependent Claims 24 and 53 recite patentable distinctions over the proposed *Vig-Sanders-Eder* combination.

For example, dependent Claim 24 recites that “the collaboration among staff [for which antecedent basis is provided in dependent Claim 5] is determined based on a plurality of metrics, including one or more of the following: time saved by leveraging; time to market; number of processes leveraged; number projects leveraged; knowledge bank; potential cost savings from shared information; and potential increases in revenue from shared information.” Dependent Claim 53 recites analogous limitations. The proposed *Vig-Sanders* combination, whether considered alone or in combination with *Eder*, fails to disclose, teach, or suggest these limitations.

The Examiner correctly acknowledges that *Vig* fails to disclose the limitations recited in Claim 24; however, the Examiner argues that *Sanders* discloses these limitations. (See Final Office Action, Pages 10-11) Appellants respectfully disagree. The Examiner cites the following portion of *Sanders* as allegedly disclosing the limitations recited in Claim 24:

Enterprise value enhancement is about the systematic collective application of enterprise creativity and knowledge leveraged to chart future actions designed to deliver on-going value propositions that result in a continuous maximization of the value of the enterprise over the long term.

(Column 3, Lines 19-24; Final Office Action, Page 10)

In particular, the Examiner apparently equates “knowledge leveraged,” as disclosed in *Sanders*, with “time saved by leveraging,” as recited in Claim 24. (Final Office Action, Page 10) Appellants respectfully submit that the actual knowledge leveraged cannot be equated with a metric of the “time saved by leveraging,” as recited in Claim 24. Moreover, even

assuming for the sake of argument that the “knowledge leveraged” disclosed in *Sanders* could be equated with the “time saved by leveraging” metric recited in Claim 24, *Sanders* would still fail to disclose, teach, or suggest determining the collaboration among staff based on a plurality of metrics, including knowledge leveraged, which would be required for *Sanders* to disclose, teach, or suggest the limitations recited in Claim 24 according to the basis of the Examiner’s rejection.

Vig and *Eder* fail to make up for these deficiencies of *Sanders*.

Furthermore, Appellants reiterate that the Examiner has not demonstrated the requisite teaching, suggestion, or motivation in *Vig*, *Sanders*, *Eder*, or the knowledge generally available to those of ordinary skill in the art at the time of the invention to modify or combine the proposed *Vig-Sanders* combination with *Eder* in the manner the Examiner proposes. With respect to Claim 24, the Examiner states, without citation, that “[i]t would have been obvious to one of ordinary skill in the art at the time of the applicant’s invention to determine collaboration among staff based on time saved by leveraging with the motivation of delivering continuous optimization through staff for a long period of time.” (Final Office Action, Page 11) First, as discussed above, *Sanders* fails to disclose, teach, or suggest a “time saved by leveraging” metric, as recited in Claim 24. Second, such unsupported and conclusory assertions are plainly insufficient to satisfy the heavy burden incumbent on the Examiner to demonstrate a *prima facie* case of obviousness, and constitute impermissible hindsight reconstruction of Appellants’ claims. The rejections are improper and should be reversed for at least this additional reason.

For at least these reasons, the proposed *Vig-Sanders-Eder* combination fails support the obviousness rejection of dependent Claims 24 and 53. Claims 24 and 53 are therefore patentable over the proposed *Vig-Sanders-Eder* combination. Appellants respectfully submit that these rejections are improper and should be reversed by the Board.

Conclusion

Appellants have demonstrated that, for at least the foregoing reasons, the present invention, as claimed, is clearly patentable over the references cited by the Examiner. Therefore, Appellants respectfully request the Board to reverse the final rejection of the Examiner and instruct the Examiner to issue a Notice of Allowance of all pending claims.

In the original Appeal Brief mailed April 4, 2005, Appellants authorized the Commissioner to charge the large entity fee of \$500.00 under 37 C.F.R. §§1.191(a) and 1.17(b) for filing this Appeal Brief to Deposit Account No. 05-0765 of Electronic Data Systems Corporation, and enclosed a check in the amount of \$120.00 to cover the cost of a one-month extension of time. Thus, Appellants believe that no fees are due at this time. Although no fees are believed to be due at this time, the Commissioner is hereby authorized to charge any additional fees and/or credit any overpayments to Deposit Account No. 05-0765 of Electronic Data Systems Corporation.

Respectfully submitted,

BAKER BOTTS L.L.P.
Attorneys for Appellants


Chad D. Terrell
Reg. No. 52,279

Date: June 15, 2006

Customer Number: 35005

A.1

Appendix A

1. (Previously presented) A method for measuring intellectual capital of an enterprise comprising:

identifying one or more intellectual capitals to be measured, wherein each intellectual capital comprises:

human capital comprising one or more capabilities of one or more individuals associated with the enterprise;

structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise; and

external capital comprising a value of one or more business relationships of the enterprise with one or more entities;

selecting a set of metrics that are present within the identified intellectual capitals, the set of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the set of metrics comprises one or more monetary metrics and one or more non-monetary metrics;

assigning values to the set of selected metrics;

scaling the set of valued metrics, wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated; and

quantifying the identified intellectual capitals based on the scaled metrics.

2. (Original) The method of Claim 1, wherein the human capital is determined based on a plurality of parameters, including one or more of the following:

competency information;

performance of staff;

training and education of the staff;

attitudes of the staff;

usage of contractors; and

experience of staff.

3. (Original) The method of Claim 1, wherein the structural capital comprises innovation capital and process capital.

A.1

4. (Original) The method of Claim 3, wherein the innovation capital is determined based on a plurality of parameters, including one or more of the following:

- internal communications regarding inventions;
- external communications regarding the inventions;
- patent protection; and
- delivery to market of products or services embodying the inventions.

5. (Original) The method of Claim 3, wherein the process capital is determined based on a plurality of parameters, including one or more of the following:

- internal investment;
- business improvement;
- collaboration among staff;
- support tools for the staff;
- information sharing; and
- speed and quality of deliveries.

6. (Original) The method of Claim 1, wherein the external capital comprises supplier capital, customer capital, partner capital, and image in market.

7. (Original) The method of Claim 6, wherein the supplier capital is determined based on a plurality of parameters, including one or more of the following:

- a satisfied supplier index;
- success in leveraging internal suppliers to external markets; and
- customer satisfaction with suppliers.

8. (Original) The method of Claim 6, wherein the customer capital is determined based on a plurality of parameters, including one or more of the following:

- capabilities of customers;
- relationships with the customers; and
- satisfaction of the customers.

A.1

9. (Original) The method of Claim 6, wherein the partner capital is determined based on a plurality of parameters, including one or more of the following:

- a partner satisfaction index;
- customer satisfaction with a partner; and
- competence enhancing partners.

10. (Original) The method of Claim 6, wherein the image in market is determined based on a plurality of parameters, including one or more of the following:

- image in a community;
- market analysis ratings;
- white papers published;
- attendance at external seminars;
- hosting of the external seminars; and
- industry recognition awards.

11. (Previously presented) The method of Claim 1 further comprising defining a relationship between financial capital and the intellectual capital.

12. (Original) The method of Claim 1 further comprising creating a radar diagram, wherein the radar diagram comprises:

- a plurality of scaled axes, wherein each scaled axis represents one of the metrics present in the intellectual capital; and
- a point on each axis to represent the quantified metric.

13. (Original) The method of Claim 12, wherein quantifying the identified intellectual capitals based on the scaled metrics comprises determining the total area enclosed in the radar diagram.

14. (Original) The method of Claim 2, wherein the competency information is determined based on a plurality of metrics, including one or more of the following:

- experience in a competency type; and
- experience of workforce.

15. (Original) The method of Claim 2, wherein the performance of staff is determined based on a plurality of metrics, including one or more of the following:

- turnover;
- median age of staff in organization;
- succession planning;
- revenue generating staff/efficiency of organization;
- internal grading;
- professional internal grading;
- timely appraisals;
- number of days absenteeism;
- mentored staff;
- social network mapping;
- knowledge sharer performance; and
- leverage effect.

16. (Original) The method of Claim 2, wherein the training and education of the staff is determined based on a plurality of metrics, including one or more of the following:

- training investment;
- education level per staff member; and
- training provided.

17. (Original) The method of Claim 2, wherein the usage of contractors is determined based on a plurality of metrics, including one or more of the following:

- revenue generating staff/efficiency of organization;
- time not spent on productive work; and
- value added per staff member.

A.1

18. (Original) The method of Claim 4, wherein the internal communications regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- best practice shared;
- usage of best practices;
- usage of a piece of knowledge;
- new ideas generated; and
- white papers published.

19. (Original) The method of Claim 4, wherein the patent protection regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- number of patents owned;
- value of patents owned; and
- number of patents proposed.

20. (Original) The method of Claim 4, wherein the external communications regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- published internal achievements;
- words in print;
- external seminar hosting; and
- work being done by academic bodies.

21. (Original) The method of Claim 4, wherein the delivery to market of products or services embodying the inventions is determined based on a plurality of metrics, including one or more of the following:

- capabilities to market;
- services sold;
- time to market; and
- investment in own research and development.

A.1

22. (Original) The method of Claim 5, wherein the internal investment is determined based on a plurality of metrics, including one or more of the following:

- investment in internal structures;
- benefits attributable to internal projects;
- spend on internal IT systems; and
- spend on knowledge sharing facilities.

23. (Original) The method of Claim 5, wherein the business improvement is determined based on a plurality of metrics, including one or more of the following:

- improvement suggestions; and
- improvement suggestions implemented.

24. (Original) The method of Claim 5, wherein the collaboration among staff is determined based on a plurality of metrics, including one or more of the following:

- time saved by leveraging;
- time to market;
- number of processes leveraged;
- number of projects leveraged;
- knowledge bank;
- potential cost savings from shared information; and
- potential increases in revenue from shared information.

25. (Original) The method of Claim 5, wherein the support tools for the staff is determined based on a plurality of metrics, including one or more of the following:

- volume of Email passed around the company;
- intranet accessibility;
- number of different facilities used to access information; and
- tool availability for staff.

A.1

26. (Original) The method of Claim 5, wherein the information sharing is determined based on a plurality of metrics, including one or more of the following:

- potential cost savings from shared information;
- information availability for staff;
- completed documents for repository;
- knowledge sharer performance;
- documented processes; and
- documented templates available for sharing.

27. (Original) The method of Claim 5, wherein the speed and quality of deliveries is determined based on a plurality of metrics, including one or more of the following:

- delivery speed and quality;
- number of processes with reduced cycle time;
- rate of defective deliverables provided to customers;
- time taken to resolve a customer problem;
- customer problem resolution;
- time taken to resolve customer problems; and
- time taken to locate a resource.

28. (Original) The method of Claim 8, wherein the capabilities of the customers is determined based on a plurality of metrics, including one or more of the following:

- number of organization enhancing customers;
- value of organization enhancing customers;
- number of staff competence enhancing customers;
- number of competence enhancing customers;
- number of image enhancing customers;
- customer spend on staff competence; and enhancing projects.

A.1

29. (Previously presented) The method of Claim 8, wherein the relationships with the customers is determined based on a plurality of metrics, including one or more of the following:

- win/loss index;
- customer spend with business;
- referenceability;
- proportion of large customers;
- longevity of customers;
- frequency of repeat orders;
- value of repeat orders;
- devoted customers ratio;
- profitability per customer;
- contract renewals;
- contract terminations;
- number of staff per customer; and
- time spent interfacing with customer.

30. (Original) The method of Claim 8, wherein the satisfaction of the customers is determined based on a plurality of metrics, including one or more of the following:

- satisfied customer index;
- number of customer visits to company;
- new customer site reports;
- rate of defective deliverables provided to the customer;
- customer problem resolution; and
- time taken to resolve customer problems.

A.1

31. (Previously presented) A balance sheet for measuring intellectual capital of an enterprise comprising:

a list of metrics operable to value one or more intellectual capitals, wherein each intellectual capital comprises:

human capital comprising one or more capabilities of one or more individuals associated with the enterprise;

structural capital comprising experience and expertise of the enterprise embedded in one or more processes, policies, and systems associated with the enterprise; and

external capital comprising a value of one or more business relationships of the enterprise with one or more entities;

the list of metrics comprising one or more metrics present within the human capital, one or more metrics within the structural capital, and one or more metrics within the external capital, wherein the list of metrics comprises one or more monetary metrics and one or more non-monetary metrics;

a set of algorithms operable to scale the metrics, wherein the scaled non-monetary metrics and monetary metrics are operable to be mathematically associated;

a set of mathematical calculations operable to associate the scaled metrics and further operable to quantify the intellectual capitals based on the associated metrics; and

a management view of the quantified intellectual capitals.

32. (Original) The balance sheet of Claim 31, wherein the human capital is determined based on a plurality of parameters, including one or more of the following:

competency information;

performance of staff;

training and education of the staff;

attitudes of the staff;

usage of contractors; and

experience of staff.

33. (Original) The balance sheet of Claim 31, wherein the structural capital comprises innovation capital and process capital.

A.1

34. (Original) The balance sheet of Claim 33, wherein the innovation capital is determined based on a plurality of parameters, including one or more of the following:

- internal communications regarding inventions;
- external communications regarding the inventions;
- patent protection; and
- delivery to market of products or services embodying the inventions.

35. (Original) The balance sheet of Claim 33, wherein the process capital is determined based on a plurality of parameters, including one or more of the following:

- internal investment;
- business improvement;
- collaboration among staff;
- support tools for the staff;
- information sharing; and
- speed and quality of deliveries.

36. (Original) The balance sheet of Claim 31, wherein the external capital comprises supplier capital, customer capital, partner capital, and image in market.

37. (Original) The balance sheet of Claim 36, wherein the supplier capital is determined based on a plurality of parameters, including one or more of the following:

- a satisfied supplier index;
- success in leveraging internal suppliers to external markets; and
- customer satisfaction with suppliers.

38. (Original) The balance sheet of Claim 36, wherein the customer capital is determined based on a plurality of parameters, including one or more of the following:

- capabilities of customers;
- relationships with the customers; and
- satisfaction of the customers.

A.1

39. (Original) The balance sheet of Claim 36, wherein the partner capital is determined based on a plurality of parameters, including one or more of the following:

- a partner satisfaction index;
- customer satisfaction with a partner; and
- competence enhancing partners.

40. (Original) The balance sheet of Claim 36, wherein the image in market is determined based on a plurality of parameters, including one or more of the following:

- image in a community;
- market analysis ratings;
- white papers published;
- attendance at external seminars;
- hosting of the external seminars; and
- industry recognition awards.

41. (Original) The balance sheet of Claim 31, wherein the management view of the quantified intellectual capitals comprises a radar diagram, wherein the radar diagram comprises:

- a plurality of scaled axes, wherein each scaled axis represents one of the metrics present in the relationship; and
- a point on each axis to represent the value associated with the metric.

42. (Original) The balance sheet of 41, wherein the set of mathematical calculations operable to associate the scaled metrics and further operable to quantify the intellectual capitals based on the associated metrics comprises determining the total area enclosed in the radar diagram.

43. (Original) The balance sheet of Claim 32, wherein the competency information is determined based on a plurality of metrics, including one or more of the following:

- experience in a competency type, and
- experience of workforce.

A.1

44. (Original) The balance sheet of Claim 32, wherein the performance of staff is determined based on a plurality of metrics, including one or more of the following:

- turnover;
- median age of staff in organization;
- succession planning;
- revenue generating staff/efficiency of organization;
- internal grading;
- professional internal grading;
- timely appraisals;
- number of days absenteeism;
- mentored staff;
- social network mapping;
- knowledge sharer performance; and
- leverage effect.

45. (Original) The balance sheet of Claim 32, wherein the training and education of the staff is determined based on a plurality of metrics, including one or more of the following:

- training investment;
- education level per staff member; and
- training provided.

46. (Original) The balance sheet of Claim 32, wherein the usage of contractors is determined based on a plurality of metrics, including one or more of the following:

- revenue generating staff/efficiency of organization;
- time not spent on productive work; and
- value added per staff member.

A.1

47. (Original) The balance sheet of Claim 34, wherein the internal communications regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- best practice shared;
- usage of best practices;
- usage of a piece of knowledge;
- new ideas generated; and
- white papers published.

48. (Original) The balance sheet of Claim 34, wherein the patent protection regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- number of patents owned;
- value of patents owned; and
- number of patents proposed.

49. (Original) The balance sheet of Claim 34, wherein the external communications regarding inventions is determined based on a plurality of metrics, including one or more of the following:

- published internal achievements;
- words in print;
- external seminar hosting; and
- work being done by academic bodies.

50. (Original) The balance sheet of Claim 34, wherein the delivery to market of products or services embodying the inventions is determined based on a plurality of metrics, including one or more of the following:

- capabilities to market;
- services sold;
- time to market; and
- investment in own research and development.

A.1

51. (Original) The balance sheet of Claim 35, wherein the internal investment is determined based on a plurality of metrics, including one or more of the following:

- investment in internal structures;
- benefits attributable to internal projects;
- spend on internal IT systems; and
- spend on knowledge sharing facilities.

52. (Original) The balance sheet of Claim 35, wherein the business improvement is determined based on a plurality of metrics, including one or more of the following:

- improvement suggestions; and
- improvement suggestions implemented.

53. (Original) The balance sheet of Claim 35, wherein the collaboration among staff is determined based on a plurality of metrics, including one or more of the following:

- time saved by leveraging;
- time to market;
- number of processes leveraged;
- number of projects leveraged;
- knowledge bank;
- potential cost savings from shared information; and
- potential increases in revenue from shared information.

54. (Original) The balance sheet of Claim 35, wherein the support tools for the staff is determined based on a plurality of metrics, including one or more of the following:

- volume of Email passed around the company;
- intranet accessibility;
- number of different facilities used to access information; and
- tool availability for staff.

A.1

55. (Original) The balance sheet of Claim 35, wherein the information sharing is determined based on a plurality of metrics, including one or more of the following:

- potential cost savings from shared information;
- information availability for staff;
- completed documents for repository;
- knowledge sharer performance;
- documented processes; and
- documented templates available for sharing.

56. (Original) The balance sheet of Claim 35, wherein the speed and quality of deliveries is determined based on a plurality of metrics, including one or more of the following:

- delivery speed and quality;
- number of processes with reduced cycle time;
- rate of defective deliverables provided to customers;
- time taken to resolve a customer problem;
- customer problem resolution;
- time taken to resolve customer problems; and
- time taken to locate a resource.

57. (Original) The balance sheet of Claim 38, wherein the capabilities of the customers is determined based on a plurality of metrics, including one or more of the following:

- number of organization enhancing customers;
- value of organization enhancing customers;
- number of staff competence enhancing customers;
- number of competence enhancing customers;
- number of image enhancing customers;
- customer spend on staff competence; and
- enhancing projects.

A.1

58. (Previously presented) The balance sheet of Claim 38, wherein the relationships with the customers is determined based on a plurality of metrics, including one or more of the following:

- win/loss index;
- customer spend with business;
- referenceability;
- proportion of large customers;
- longevity of customers;
- frequency of repeat orders;
- value of repeat orders;
- devoted customers ratio;
- profitability per customer;
- contract renewals;
- contract terminations;
- number of staff per customer; and
- time spent interfacing with customer.

59. (Original) The balance sheet of Claim 38, wherein the satisfaction of the customers is determined based on a plurality of metrics, including one or more of the following:

- satisfied customer index;
- number of customer visits to company;
- new customer site reports;
- rate of defective deliverables provided to the customer;
- customer problem resolution; and
- time taken to resolve customer problems.

Appendix B

U.S. Patent 6,038,554 to Tommy Vig was submitted as Appendix B in the Appeal Brief filed on April 4, 2005. To avoid burdening the record with duplicate copies of this reference, Appellants do not include a copy of this reference with this Supplemental Appeal Brief.

Appendix C

U.S. Patent 6,411,936 to Aaron M. Sanders was submitted as Appendix C in the Appeal Brief filed on April 4, 2005. To avoid burdening the record with duplicate copies of this reference, Appellants do not include a copy of this reference with this Supplemental Appeal Brief.

Appendix D

U.S. Patent 6,321,205 to Jeff Eder was submitted as Appendix D in the Appeal Brief filed on April 4, 2005. To avoid burdening the record with duplicate copies of this reference, Appellants do not include a copy of this reference with this Supplemental Appeal Brief.

Appendix E

Evidence Appendix

Other than the references attached to the Appeal Brief as Appendices B-D, no evidence was submitted pursuant to 37 C.F.R. §§ 1.130, 1.131, or 1.132, and no other evidence was entered by the Examiner and relied upon by Appellants in the Appeal.

Appendix F

Related Proceedings Appendix

As stated on page 3 of the Appeal Brief mailed April 4, 2005, to the knowledge of Appellants' Counsel, there are no known appeals, interferences, or judicial proceedings that will directly affect or be directly affected by or have a bearing on the Board's decision regarding this Appeal.

ATTORNEY DOCKET:
1014208.1395 (70-00-006)

PATENT APPLICATION
USSN 10/029,657



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Donna M. Stemmer, et al.
Serial No. 10/029,657
Date Filed: December 20, 2001
Confirmation No. 5061
Group Art Unit No. 3623
Examiner: A. K. Robinson Boyce
Title: *Balance Sheet and Method for Measuring Intellectual Capital*

Mail Stop: Appeal Brief - Patents
Commissioner of Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

Dear Sir:

CERTIFICATE OF MAILING BY EXPRESS MAIL

I hereby certify that the attached Supplemental Appeal Brief in Response to Notification of Non-Compliant Appeal Brief (52 pages) plus Appendices A-F (21 pages) is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 C.F.R. § 1.10 on this 15th day of June, 2006, and is addressed to the Commissioner For Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

Willie Jiles
Willie Jiles

Express Mail Certificate
No. EV 732503269 US